

# F6.6 – PROGRAM INCOME AND NON-FEDERAL SHARE

## Purpose

The purpose of this policy is to describe the Iowa HHS process for ensuring compliance (including SRs, and service sites) with the expectations that:

- Recipients include financial support from sources other than Title X as no grant may be made for an amount equal to 100 percent of the project's estimated costs. Although projects are expected to identify additional sources of funding and not solely rely on Title X funds, there is no specific amount of level of financial match requirement for this program. (42 CFR § 59.7(c)).
- Recipients must ensure that program income (fees, premiums, third-party reimbursements which the project may reasonably expect to receive), as well as state, local and other operational funding, is used to finance the non-federal share of the scope of project as defined in the approved grant application and reflected in the approved budget.
- Program income and the level projected in the approved budget are used to further program objectives. Program income may be used to meet the cost sharing or matching requirement of the federal award. The amount of the federal award stays the same.
- Program income in excess of any amounts specified must be added to the federal funds awarded. They must be used for the purposes and conditions of this award for the duration of the project period. (45 CFR § 75.307(e); FY 22 Notice of Award Special Terms and Requirements)
- Recipients must ensure that Title X funds shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office. (Consolidated Appropriations Act, 2022, Pub. L. No. 117-103, 136 Stat. 49, 444 (2022)).

## Policy

- The budget shows support from other income sources outside of the Title X grant.
- All program income is used to support the non-federal share of the project and used to further program objectives.
- Title X funds, including program income are not used to promote public support or opposition to any legislative proposal or candidate for public office

## Procedure

Iowa HHS will ensure that each SR complies with the following:

- Process for ensuring that there is a contribution of non-federal funds used to support the project.
  - This will be reviewed on an annual basis as part of the RFP/RFA process as well as monthly with claim submission. Sources that may be used for program income and cost sharing include:
    - Medicaid (Title XIX) reimbursements
    - State Family Planning Program (FPP) reimbursement

- Title V or Title XX
- Reimbursement from third parties such as insurance
- Local funds from non-federal sources
- In-kind contributions
- Private foundations
- Cash
- Other – Interest, donations
- Process for identifying if program income is used to meet the cost sharing or matching requirement of the federal award.
  - Program income collected from public or private sources, or third-party sources for service provision related to this project must be reported monthly to the state and must be expended on program-related activities. Subcontractors are required to report program income to the contract agency.
  - Direct care services for other third-party liability are billed in a manner prescribed by that third-party payer.
  - This will be reviewed on an annual basis as part of the RFP/RFA process.
- Process to ensure that all program income (as defined above), including the level projected in the approved budget and any amounts which exceed the original estimate, is used to further program objectives.
- Process for ensuring that Title X funds (including any form of income derived from approved program activities) are not expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office (Consolidated Appropriations Act, 2022, Pub. L. No. 117-103, 136 Stat. 49, 444 (2022)).

Date Revised	September 2023
References	Title X Program Handbook, Section 3, Financial Accountability #12, #13, #14 <a href="https://opa.hhs.gov/sites/default/files/2022-08/title-x-program-handbook-july-2022-508-updated.pdf#page=23">https://opa.hhs.gov/sites/default/files/2022-08/title-x-program-handbook-july-2022-508-updated.pdf#page=23</a> FY 22 Notice of Award Special Terms and Requirements PA-FPH-22-001 NOFO <a href="https://www.grantsolutions.gov/gs/preaward/previewPublicAnnouncement.do?id=95156">https://www.grantsolutions.gov/gs/preaward/previewPublicAnnouncement.do?id=95156</a> 2021 Title X Final Rule 45 CFR § 75.307(e) <a href="https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-75#75.307">https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-75#75.307</a> Consolidated Appropriations Act, 2022, Pub. L. No. 117-103, 136 Stat. 49, 444 (2022) <a href="https://www.congress.gov/117/plaws/publ103/PLAW-117publ103.pdf">https://www.congress.gov/117/plaws/publ103/PLAW-117publ103.pdf</a>
Additional Resources	